



State of Washington  
Department of Revenue

# Excise Tax Advisory

---

Excise Tax Advisories (ETA) are interpretive statements issued by the Department of Revenue under authority of RCW 34.05.230. ETAs explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

---

NUMBER: 316.08.193

CONVERSION DATE: July 1, 1998

## SALES TO NONRESIDENTS

Issued: July 25, 1993

RCW 82.08.0273 provides an exemption from the retail sales tax to certain nonresidents of Washington for purchases of tangible personal property for use outside this state. This statutory exemption is available only to residents of states other than Washington, United States possessions, or provinces of Canada when the jurisdiction does not impose a retail sales tax of three percent or more. Note that residents of Idaho and of the Province of British Columbia do not qualify for the exemption.

The law provides exemption from the tax only with respect to:

1. Sales of tangible personal property
2. For use outside Washington
3. To persons who can satisfactorily establish nonresident status

Thus, under requirement number 1, exemption is not permitted with respect to charges for those services which are included within the definition of the term "sale at retail." This includes, but is not limited to, services such as:

- Repair labor
- Laundry or dry cleaning
- Auto towing or parking
- Amusement and recreational activities (golf, dancing, etc.)
- Title insurance, escrow, or credit bureau services
- Hotel, motel, or trailer park services

Guided tours and guided charters

---

***ETBS have been made Excise Tax Advisories, and have retained their old number. Advisories with a 2 (plus three digits) are new advisories, ETBs that have been revised and readopted after review under the Department's regulatory improvement program, or advisories that have been revised and/or readopted.***

---

Please direct comments to:  
Department of Revenue  
Legislation & Policy Division  
P O Box 47467  
Olympia, Washington 98504-7467  
(360) 753-4161 eta@DOR.wa.gov

To inquire about the availability of receiving this document in an alternate format for the visually impaired or language other than English, please call (360)753-3217. Teletype (TTY) users please call 1-800-451-7985.

Physical fitness services  
Tattoo parlor services

Under requirement number 2, articles substantially used or consumed within Washington are not exempt, such as:

Meals or refreshments prepared for immediate consumption  
Sales to persons in the military stationed within Washington  
Sales to nonresident students attending schools in this state

Sales to all nonresidents who may be residing temporarily within Washington

Under requirement number 3, evidence of place of residence must be presented to the seller at the time of purchase. See the instructions to vendors below.

As of July 1, 1993, only residents of the following states, possessions, and provinces of Canada qualify:

Alaska	Oregon	Montana
Delaware	New Hampshire	Virgin Islands
Guam	Yukon	Alberta
Puerto Rico		
The Commonwealth of Northern Mariana Islands		

### INSTRUCTIONS TO VENDORS

Vendors making exempt sales to individuals who qualify as nonresidents must examine one piece of identification which shows proof of nonresidence. The following requirements apply:

1. The piece of identification must be a valid driver's license from the jurisdiction in which the out-of-state residency is claimed or the buyer may present a valid identification card issued by the out-of-state jurisdiction which: A) bears the photograph of the holder, B) shows the holder's residential address, and C) is issued for the purpose of establishing residency.
2. The seller must maintain a record of the type of proof accepted, including identification numbers, expiration dates, and state of residency of the purchaser.
3. The information should be recorded on the invoice or other written evidence of sale and should be retained by the seller as part of the accounting records for a period of five years.
4. The seller should presume that the item being sold will be used in Washington and is subject to retail sales tax if the purchaser requests the seller to deliver the merchandise to a residence in

Washington. This presumption may be overcome if the purchaser gives the seller a signed written statement explaining the reason for delivery to a Washington residence and a specific statement indicating the item will not be used in Washington. Nonresident corporations may also qualify to make purchases without payment of retail sales tax. The Department of Revenue issues "nonresident permits" upon request to qualifying corporations. Vendors making sales to nonresident corporations should examine the nonresident permit to make certain that it is valid during the period of the sale and that it is issued to the purchaser. The vendor must record the permit number within its records. Nonresident corporations which qualify to obtain a permit are those incorporated in one of the states, possessions, or provinces of Canada shown above.

It is important that vendors follow these instructions. The law provides that vendors will be personally liable for the tax where an exempt sale has been made to nonqualifying persons or where records are not maintained as required.

NOTE: Vendors are not required to make tax exempt sales to nonresidents. The law also contains special nonresident exemptions from the retail sales tax in connection with sales of motor vehicles and trailers (Rule 177), repairs and alterations (Rule 173), watercraft (Rule 238), and farm machinery or implements (Rule 239). The conditions and requirements for exemption with respect to these special sales remain unchanged.